

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HJR 227

April 14, 2011

SUMMARY OF BILL: Proposes amending Article II, Section 28 of the Tennessee Constitution to clarify that the Legislature shall not levy any tax upon personal income or payroll or any tax measured by personal income or payroll, except that the Legislature may levy a tax upon incomes derived from stocks and bonds that are not taxed ad valorem. This shall not be construed as prohibiting any tax in effect on January 1, 2011, or adjustment of the rate of such tax. Proposes amending Article XI, Section 9 of the Tennessee Constitution to clarify that the General Assembly shall not authorize any county, municipality, or other political subdivision of the state to tax income, payrolls, estates, or inheritances, or to impose any other tax not authorized by Sections 28 or 29 of Article II of this Constitution; and no county, municipality, or other political subdivision of the state shall levy any tax unless the tax is authorized by Sections 28 or 29 of Article II of the Constitution and unless the General Assembly authorizes the levy of such tax. This shall not be construed as invalidating the provisions of any municipal charter in existence on November 3, 1953. Resolves that this amendment be referred to the 108th General Assembly and that this resolution be published in compliance with Article XI, Section 3 of the Tennessee Constitution.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$18,000/One-Time

Assumptions:

- A one-time cost of \$18,000 to the Secretary of State to print notice of the proposed amendment in statutorily designated newspapers as required by this resolution.
- According to the Secretary of State, the statewide average cost to publish the last three constitutional amendments was \$17,700.
- Because Article XI, Section 3 of the Constitution requires publication of the resolution before the next legislative election, this publication would occur in the spring of 2012.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "James W. White" followed by a stylized flourish.

James W. White, Executive Director

/rct